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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

10 September 1982

National Intelligence Officers

MEMORANDUM FOR: Director of Central Intelligence

FROM : National Intelligence Officer for
Latin America

SUBJECT : Your Luncheon Meeting with Secretaries Schultz,
Weinberger, and Judge Clark -- Background Information on
Current Policy Discussions About Central America

1. Yesterday was my first opportunity to meet with some of my colleagues in the Executive Branch policy community. My understanding is that three sets of issues may come up at your meeting today:

- I. Review of implementation to date of the Cuba/Central America NSDDs (for a summary of these and my brief comments on implementation see tab A).
- II. Alternative actions in the event that jet fighters or Cuban armed units enter Nicaragua.
- III. Which among the anti-Sandinista groups the US should support with some at State believing Enders now favors a lead role for Pastora (for an overview of the structure and strength of the anti-Sandinista groups based only on DDI information see tab B).

I shall discuss each of these topics giving you my best information on where things seem to stand right now.

I. Review of Cuba/Central America NSDD implementation

- In early August I suggested this to you as an urgent need for an NSC level review during September 1982.
- In mid-August Roger Fontaine of the NSC began the process of preparing for a review (see my memo summarizing his terms of reference, tab C, 12 August 82)
- 2 Sep 82, Carlucci sent a brief memo to Shultz saying both Secretary Weinberger and the JCS felt such a review to be necessary because "the principals are uninformed" about implementing actions and there is "no integrated strategy". (I have read this memo but do not have a copy.)

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25X1

- State/ARA is preparing a paper believed to be a review of implementation to date -- it has not been seen by any other parts of State. My guess is that this will be suggested today as a substitute for any NSC review of implementation.
- 9 Sept 82, Roger Fontaine of the NSC told me that "after several weeks of confusion" about whether to have a review, it seemed to be back on track as an NSC project -- however, he knew nothing about your meeting today!

My suggestion

That you join with DoD in urging a well staffed NSC review of implementation along the lines of the Fontaine proposal as I summarized it in tab C.

II. US actions in the event jet fighters or Cuban combat units enter Nicaragua

Jet fighter issue

- State did some work on this in late August -- three alternatives were considered:
 - A. Destroy the aircraft -- directly or covertly (proposed by Burt/PM opposed by Enders)
 - B. Deploy US aircraft to Honduras
 - C. Transfer (sale, lease, donation) US aircraft to Honduran airforce
- At present ARA/Enders seems to have eliminated option A from State discussion over the objections of PM and SP (policy planning/Wolfowitz)
- Current State analysis of the two remaining actions suggests they are inadequate responses (my view of a PM memo to Eagleburger)

Deployment of US aircraft

- requires Presidential notice to Congress within 48 hours
- can last for only 60 days without Congressional extension (War Powers Act)
- might result in joint Congressional resolution requiring earlier withdrawal with disastrous political consequences in the region (hard to estimate the chance for such a resolution, but consider a jet fighter deployment, plus no Nicaraguan hostile action for several weeks, plus a massive international "peace" campaign, etc.)

SECRET

25X1

SECRET

25X1

Transfer of US aircraft to Honduras

- cost of 12 F5Es is about \$136 (10 planes about \$115)
- current likely military aid resources for Honduras are far below costs:

FY 82	FY 82 supp	FY 83	FY 84
\$10M	\$10M	\$14.5M	\$20M

- the \$100 million plus cost would apply to all the aircraft types with anti-air capabilities (F5E, F4, F15, F16) but there are 24 combat ready A-37s available; however though good as counter-insurgency aircraft they would be outmatched by MIGs.

My suggestion

Covert on the ground destruction (a la the Salvadoran guerrilla attack on the Salvadoran airfield in January 1982) is the best approach.

Cuban combat units

- State thinking about a response is still unclear
- DoD/JCS is said to have secret contingency plans they are not showing State or NSC staff for (1) air/naval blockade of the Cuban/Nicaraguan air/sea connection; (2) unspecified other air/naval actions

My suggestion

Use the Central American Defense treaty and/or the Central American democratic community (Central America plus Colombia, Venezuela) for a joint military action against some event of Nicaraguan aggression into Honduras or better, Costa Rica, and provide US air/naval support for the combined ground forces plus the anti-Sandinista liberation forces.

My intelligence judgment is that if the Cuban combat units enter and help the Directorate exterminate the anti-Sandinista forces, without a massive response, the region will be communist before the end of 1984 and that Mexico/Panama will then become the next places for Cuban/Soviet supported insurgency and terrorism.

III. US policy toward the various anti-Sandinista groups

- some in State believe that ARA is leaning toward a major leadership role for ex-Sandinista Eden Pastora and that you may be asked to endorse this at today's meeting;
- today, a unity meeting of anti-Sandinista political and military groups is beginning in Venezuela -- that may be presented as the action forcing event;
- Enders met secretly with Pastora in early August in the Dominican Republic following the inauguration of President Jorge Blanco (of

3
SECRET

25X1

SECRET

25X1

the social democratic PRD which still maintains its support of the Nicaraguan Sandinistas in contrast to the Costa Rican social democratic president Monge)

- Enders is said to be planning a "Conference of Caribbean Democracies" for late September 1982 to include Honduras, El Salvador, Costa Rica, Colombia, Panama, the Dominican Republic (for the first time), but exclude Venezuela (which is suspicious of Eden Pastora)
- Informed US government officials outside the intelligence community have raised a number of serious questions about Eden Pastora which I believe should be carefully evaluated before any decision is made to give him more than an "important partner" role in the anti-Sandinista opposition coalition. These questions include:
 - 1) Doubts about his commitment to political democracy and international realism because of his praise of Castro and Quadaffi;
 - 2) Doubts about his political judgment and political leadership capacities -- due to his being used by the Sandinistas for 4 years and the actions he has taken since his 15 April announcement -- e.g. dissolving his organization and his exaggerated condemnation of the "Somociatas" as the only component of the FDN in Honduras;
 - 3) Doubts about the key people close to Eden Pastora (characterizations are not from CIA):

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- 4) Serious concern that Eden Pastora could be an unwitting tool of the Cubans and Nicaraguans for the express purposes of: (a) penetrating the anti-Sandinista groups; (b) causing confusion, disruption, disunity; (c) a focal point of democratic left left international support e.g. from the Socialist International, perhaps Mexico; (d) at the appropriate time, leave and condemn the anti-Sandinista groups as too "rightist", too pro-US, too imperialist, etc. and thereby perform the same destructive function of pseudo-opposition to a new communist regime as the Soviets accomplished with The Trust in the 1920s and WIN in Poland in the 1949-51 period (which is said to have received CIA

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25X1

SECRET

25X1

My suggestion

Eden Pastora has value as a military commander and as a symbolic presence to perhaps neutralize some of the Nicaraguan army if fighting escalates. However, just as I recommended last year with respect to the ex-National Guard and the Argentine presence on the right, these groups have technical roles at most while the bulk of the political and military struggle is led by the genuinely democratic anti-Sandinistas and those ex-National Guard such as Bermudez who had no direct involvement in the Somoza repression and who are now committed to political democracy -- which in my view is the only goal that will bring about the support of the Nicaraguan people and the western international community.

5
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